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Chair

The Honourable Mark Eyking

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● (0940)

[*English*]

The Chair (Hon. Mark Eyking (Sydney—Victoria, Lib.)): We have the pleasure today to have with us Invest in Canada. Thank you for coming.

I know you're a new organization that was just put together over the last couple of years. We're very interested in what you're all about and in your vision. We're hoping that you can give a short presentation, and then the committee members will have a little dialogue with you to get a sense of where you're at and where you're going.

Without further ado, we'll let you guys have the floor.

Mr. Mitch Garber (Chairman, Invest in Canada Hub): Thank you very much, Mr. Chairman.

My name is Mitch Garber. I am the chairman of this new organization. It's true that it was conceived a couple of years ago, but it's really come to life in the last six weeks, when I was named chairman and Mr. McKay named CEO. We'll be happy to take your questions.

Invest in Canada, as you may know, has been created to position Canada as a premier destination for foreign direct investment, and to make it easier for investors to build and/or expand their businesses in Canada.

In preparing for my position in Invest in Canada, I studied what other countries are doing in this space, and realized quite quickly that all of the other G7 countries have a similar entrepreneurial organization, but that we're the last of the G7 to have one. The area of attracting foreign investment is growing and is extremely competitive.

Just to give you a couple of examples, we would compete with an agency in a country like Holland. Holland would talk about itself as having excellent port cities; being in a very advantageous geography; having a highly educated, multilingual workforce, with political stability; a strong banking system; and a high-quality of life, or all of the same things we would say about Canada.

So as I speak about a very competitive arena, this organization becomes ever more important. Canada needs this agency for that reason, and the agency will need to perform at a very entrepreneurial and high level.

I am personally quite excited to move into this phase of my life and to be part of Invest in Canada, making sure that Canada is at the forefront of the innovation and prosperity that come with global investment to our co[illegible]! believe we have a tremendous product; the product is Canada.

We intend to build on what the provinces, the cities, and the regions are already doing. We can talk about why this will be additive to what the cities, provinces, and regions are doing, but we need to band together and sell this great product together in a cohesive fashion. This is a critical point.

We should not have dozens of touch points, especially if those touch points are not communicating with each other or singing from the same hymn book. This is an issue that we currently have in Canada, which we hope to play a small or even larger role in fixing.

As the chair of this new organization, I will lead a highly qualified board of directors responsible for overseeing the management of Invest in Canada, and will ensure, along with the CEO, the highest level of public stewardship, governance, and compliance. The board will also play an advisory role to the minister.

[*Translation*]

In this role, I hope to draw on my experience in international business and my entrepreneurial spirit as a business man to create effective processes with a focus on speed. I also have a lot of experience as a board member with for-profit and non-profit organizations.

[*English*]

We will aim to break down some of the walls, barriers, and delays that come with bureaucracy. It is no secret there is red tape in government. There is red tape in private business as well—I can share that with you too. What we need to do as entrepreneurs and as proud Canadians is to find the red tape where we can and cut through it.

[*Translation*]

Canada has more to offer than any other country in the world. I have discussed this with representatives of the various political parties. We all agree on this. We have so much going for us: economic and political stability, quality of life, low crime rates, which means peace and security, a highly skilled and well-educated workforce, as well as international relationships, trade, and agreements with various countries, offering very inviting conditions and access to markets.

[*English*]

I am quite pleased to have found a way to combine my experience as a lawyer, as a long-time business executive, my love of business, and my love for Canada in this new role with Invest in Canada.

Those, Mr. Chairman, are the reasons why I am here today.

Thank you.

The Chair: Thank you, and if there are no more comments, we're going to go right to questions.

Mr. McKay, do you want the floor?

Mr. Ian McKay (Chief Executive Officer, Invest in Canada Hub): I was instructed to give some opening remarks as well. I will defer to the Chair's direction.

The Chair: You go ahead.

I didn't know if you were good to go.

Go ahead, Mr. McKay.

[*Translation*]

Mr. Ian McKay: Thank you, Mr. Chair.

Hello everyone. My name is Ian McKay and it is truly an honour to have been appointed chief executive officer of Invest in Canada. Thank you for inviting us here today.

[*English*]

Mr. Chair, I'll try to be brief in my remarks, as I look forward to answering your questions, which I'll try to do to the best of my ability and to your satisfaction.

As one of the key recommendations contained in the report by the Prime Minister's advisory council on the economy, Invest in Canada is being launched to address a gap in Canada's efforts to increase our share of global capital flows. The OECD will tell us that, over the past two decades, OECD member states have increased their average share of FDI by an annual rate of seven percent. In Canada's case, we've seen an average growth of just two percent per year. This is a significant shortfall and it must be addressed.

[*Translation*]

There are a number of reasons that we should work harder to be competitive globally in order to attract direct foreign investments. With those investments, we see a transfer of knowledge, the adoption of new technologies, human capital development, and access to new markets.

[*English*]

As Mitch said, Canada is the only G7 country and one of the only G20 countries without a federal agency platform focused on attracting foreign direct investment.

The last time Canada had, what we would call, a banner year in FDI attraction was 2007 when, driven by our very innovative and exceptional resource and energy sector, $127 billion in FDI found its way to our shores. Since that time, we've been on a steady decline. I cannot think of a better or more important time for Canada to up its game and create not just a globally competitive agency, but also the best platform in the world.

We need to better equip decision-makers all over the world with the information and the assistance they require to quickly make decisions to direct their investment to Canada. I think the irony of our below-average performance in recent decades is that Canada has an extraordinary story to tell about the diversity of our economy, and our leadership in a variety of sectors, from more traditional areas to cutting edge, 21st century technologies that are changing the world.

From advanced manufacturing to autos and aerospace, and whether in life sciences, resource extraction, bioproteins, artificial intelligence, quantum computing, and the list goes on, Canada has an extraordinary story to tell. However, absent a focused, coordinated, and cohesive federal agency in Canada in the pursuit of FDI, many other stakeholders have stepped up to fill the void. In particular, cities across Canada have developed robust and effective economic development and FDI attraction agencies. From Vancouver to Halifax, 13 of Canada's largest cities have formed an alliance together to pursue global investment and to work under the brand of Canada, with their target being cities. As well, a number of provinces, like New Brunswick, Alberta, Quebec, and others, have developed significant capacity in this regard.

Now, it's time for Canada to step up and play its part. Invest in Canada is still in the start-up phase, but our organization will be driven by research and data. It will be collaborative, ambitious, and aggressive. We will build upon the capacity that currently exists within the federal government and all of our partners across the country.

I'm honoured to have been given the opportunity to be the inaugural CEO of Invest in Canada and I commit to you and to all Canadians that I will perform my duties to the best of my ability, with passion and hard work, and a true dedication to raising the bar in Canada's efforts to attract global FDI.

Thank you, Mr. Chair, and we're happy to take some questions.

● (0945)

The Chair: Thank you, gentlemen.

We're going to go right into dialogue with the MPs, with the Conservatives starting.

Mr. Allison, you've got the floor for five minutes.

Mr. Dean Allison (Niagara West, CPC): Thank you very much, Mr. Chair.

Gentlemen, thank you for joining us today. I think that Invest in Canada has the potential to do some good things.

I read in the backgrounder that part of the funding was for 25 new trade commissioners as well. Was that part of it? These are important and good things.

You alluded in your presentation, Mr. McKay, to how FDI is slowing down. We've seen many projects pulled back in the energy sector. When you talked about record investments in 2007, it was about record investments in the energy sector. You also acknowledged in your notes that red tape continues to be an issue.

Just talk to us about some of the challenges you have to overcome in the environment right now. We have the U.S. cutting its taxes, and we're looking at adding new taxes like carbon taxes and some things that are going to put us at a competitive disadvantage relative to the U.S. specifically.

How do you see our working around that? I think Canada is the greatest place to invest, but all of these other things have to line up too. It's not just free trade deals. It's not just about having a smart workforce and a good immigration policy. It's also about the red tape. It's about taxation, and the list goes on and on in terms of the challenges. Talk to us about some of those challenges we have to overcome if we're going to get people to invest in Canada.

Mr. Mitch Garber: First of all, I think it's the right question. I think it's the reason the agency has been created in the first place. As Ian pointed out, we have some really excellent regional foreign direct investment offices. Montreal last year brought in $2 billion in foreign direct investment. Ian is the outgoing CEO of the Vancouver Economic Commission, which has done an incredible job, including securing billions of dollars of foreign film production in Vancouver.

While I've not been involved in the political arena at all, it's my understanding that the red tape is really more about agencies that don't speak with each other. There's a lack of coordination. You have an agency in Saskatchewan, one in Quebec, one in Ontario, one in B. C. None of them knows what the others are doing. They're all pursuing similar deals at times.

I've been told by a number of people that every day in the Vancouver airport, there may be 20 government officials who are totally unaffiliated, flying to China from Vancouver, many of them for the same reason, without knowing they're going for the same reason.

There is a lot of time and money being wasted. There's a lot of efficiency that is not being met. Creating an agency that has as its goal bringing some entrepreneurship to this area of government may be an ambitious goal, but it's the only reason I'm here, quite honestly, apart from my patriotism. The idea is to go and find these areas where coordination is lacking, and bring coordination to them. To the extent that there are deals being pursued by more than one province, or that should be pursued in partnership between two cities or two provinces, there is no Canada in this particular situation. There are cities and towns and provinces, and we need to bring them together and figure out a way to go out and get this business.

One last point has to do with your comment about benefits. Certainly, if we were to compete only on tax, then on the recent tax reduction in the United States, we would probably lose that battle, but as you also pointed out, we're competing on the basis of quality of life, education, a diverse workforce, and a number of other areas where I also believe that Canada is the best place to invest. I think that if it were easy and we had a super competitive advantage, we wouldn't need this agency. It's because the advantage is so thin that we need to have an agency like this that's going to aggressively pursue these competitive bids, and face some benefits that we can't offer, and hopefully find some that only we can offer.

● (0950)

Mr. Dean Allison: How will you define success? Will it be in terms of dollars invested in the country? That's certainly one metric. It's a challenge at the best of times to get provinces to work together, but doing so I think it makes total sense, if you have multiple competing factions versus partnerships. How do you see, one, your measure of success, and, two, getting the provinces, towns, and cities to work together? How do you see that as a coordinating effort?

Mr. Mitch Garber: I only know one way to measure success. If I'm a hockey player, I measure it in goals scored. If I'm a CEO, which I've been for almost 20 years, I measure it in terms of my quarterly and annual results, and my growth rate in business. So if we're doing *x* dollars of foreign direct investment today, and we do less the next year, then I think we're not doing a good job, and we will have shown that this agency is not the right agency.

In terms of coordination, one of our ideas is that we have all these agencies set up across Canada. The original idea for Invest in Canada was to set up offices in many of the major cities in Canada. We think that's the wrong idea. We have offices currently in Montreal, Toronto, Winnipeg, Calgary, Edmonton, and Vancouver. We think we can occupy those offices with Invest in Canada people working side by side at the same desks in the same areas as those people working in the regions, and show them that we're a coordinated team and that we're not trying to go out and take business away from them, or that we have a disjointed effort with them.

Having that dialogue, which we had in our cross-Canada tour with Minister Champagne, was met with great enthusiasm. We currently have only one employee, but assuming we find more employees, we plan to use the existing infrastructure to show that we're meaningful partners.

Mr. Dean Allison: Thank you.

The Chair: Thank you, Mr. Allison.

Before I go to the Liberals, I would like to welcome in our audience the Canadian Cattlemen's Association and thank them for dropping by. It's good to see you.

We're now going to move over to the Liberals.

Mr. Dhaliwal, you have the floor for five minutes.

Mr. Sukh Dhaliwal (Surrey—Newton, Lib.): Thank you, Mr. Chair.

I'd like to welcome both Mitch and Ian.

Mitch, as you mentioned, Ian's being here is certainly a loss for B. C., but a gain for Canada.

With your successful previous experience, Ian.... I was recently in Taiwan. It is looking to Canada, even though Mitch said that we will lose when it comes to taxation here versus in America. However, Taiwan is not looking to our neighbour to the south; it is looking to Canada, where there is the energy sector. Taiwan is going to be a nuclear-free zone in a few years, and there will be a shortage of energy. Where is it's energy going to come from? It says that it would prefer Canada. As for the agricultural sector, Taiwan has research and development, but it doesn't have land. We have an abundance of land.

How would you put this model together? You said the other countries have similar organizations. From that perspective, what tangible things do you foresee doing in the near future to get those investments in Canada?

Mr. Ian McKay: Thank you, Mr. Dhaliwal.

One of the things I alluded to in my remarks was robust data and research. I think Canada has done a pretty good job globally of branding Canada as a friendly place, a nice place, a good place to live, a place with good raw materials, including talent. What we need to do to accelerate the flow and the pace of investment coming into our country is build a database, and also research where global capital flows are trending. In other words, instead of the "spray and pray" approach of "come one, come all", we need to find out where major global capital flows are pursuing opportunities. Is it in artificial intelligence? Is it in bioproteins? Is it in advanced manufacturing? Let's find out where the dollar is going, and then assess where Canada has clear global strengths and leadership in those sectors. That way we can avoid a lot of false leads and a lot of noise, and can really cut to the chase in matching investment interests with real opportunities that exist in Canada. I think that will be one of litmus tests of the success of the organization: if we're able to do that through a deeper, richer, robust data and research platform.

● (0955)

Mr. Sukh Dhaliwal: Is there a particular country that has already done it? Do you have an example in mind?

Mr. Ian McKay: Singapore is pretty good. Ireland is pretty good. The U.S. spends a ton of dough on this stuff with an organization called SelectUSA. I think it may be a bit too big and too cumbersome, but it certainly does a pretty good job.

Perception is reality. Another part of the job is building and growing the investment community's perception of Canada. My first job was on Wall Street in the eighties in the World Trade Center, where I was surrounded by Americans and Europeans who had such a romantic view of Canada. They didn't know that there was business going on here. They didn't know there were companies here with a global presence. A lot of those biases and perceptions still exist around the world, even within the United States, so we have to do a really good job of working with private sector companies to build the narrative of what Canada is and why it's a world-class destination for investment. Perception is a very important part of this effort.

Mr. Sukh Dhaliwal: Kyle, did you want to add something?

Mr. Kyle Peterson (Newmarket—Aurora, Lib.): I'm going to get my turn, aren't I?

The Chair: I think we have enough time for everyone.

We're going to move on.

Ms. Ramsey, you have the floor for the NDP.

Ms. Tracey Ramsey (Essex, NDP): Thank you for being here today, gentlemen.

When I look through all the documents that exist—and I understand that you're acknowledging that you're in the start-up phase—I think the worry at this committee would be that we're adding an additional layer of red tape. We hear from people consistently on all the trade deals, all of the SMEs, that they want to eliminate that red tape and the confusion of where they should go, whether they're here or abroad. We're looking for something that will streamline the process. I'm not clear if what you're saying to me is that the hub will streamline things and that you will be the touchpoint, as one window, versus having EDC, trade commissioners, and everyone else being involved individually. Are you talking about capturing all of these groups under this one hub?

Mr. Ian McKay: Folks like EDC, BDC, and even the trade commissioner service have some very specific mandates that have a some touchpoints with what our mandate is and will be. The last thing that we want to do—and I hope that I will be able to come back to see you again in a year or several months, or whenever—is to create another level of bureaucracy when, as I outlined, there is really remarkable work going on across the country and here in Ottawa in the federal government. In working as a facilitator in a collaborative way to streamline the efforts, if we don't accomplish that, then I would share your concern greatly. We cannot be viewed as being an extra layer confusing the landscape here in Ottawa or across the country. There is excellent work going on. We're going to be a facilitator.

Ms. Tracey Ramsey: What in your directive will address jobs and ensure that jobs are attached to foreign direct investments, and that Canadians will have opportunities for those job opportunities resulting from any investments you're able to achieve for us?

Mr. Mitch Garber: I think it flows quite naturally. If you think about all of the different foreign direct investment, this is not new. We currently have approximately $800 billion in foreign direct investment in Canada. Much of that foreign direct investment has created jobs.

Ms. Tracey Ramsey: I'm sorry to interrupt you, but to be more specific, when you're sitting with someone who wants to invest in Canada, what in your mandate will ensure that part of the conversation will be about how many jobs they will create in Canada? Is that part of your specific mandate?

Mr. Mitch Garber: I think it is part of the mandate. When you look at it, our main objective is not to bring dollars into Canada that neither fuel the economy or create jobs. So mergers and acquisitions are not the priority, although we welcome them because they're an important part of world capitalism and trade. What's much more important to us is if we could bring in new construction plants, warehousing, that bring jobs to Canada and not just money.

● (1000)

Ms. Tracey Ramsey: My concern with it is that a lot of the trade agreements—and I'll point to the TPP in particular—that we've signed now have provisions in them that would allow foreign labour to come in along with those jobs. It is something that Canadian workers are really watching closely to make sure that the jobs that come are offered to Canadians versus firms bringing in their own workers from their home countries.

Mr. Mitch Garber: I think it's a combination of both, but it's almost always going to be the case that there will be far more Canadian jobs created than foreign jobs created.

Ms. Tracey Ramsey: I'm happy to hear that. You've mentioned that you're in the start-up phase. I'm wondering when you expect to be fully up and running, and what you anticipate your annual operating cost to be once that's achieved?

Mr. Mitch Garber: Let me answer the first part and then let Ian answer the second part.

We're quite fortunate in not having to worry about when we're fully operational. This week Ian was in Lima, Peru, with the Prime Minister's delegation. Last week I was in Quebec City at the B7 dinner ahead of the G7 summit coming up in June. I attended a dinner with all of the major CEOs from Scandinavia just the other day and started talking about the opportunities to invest in Canada. The infrastructure exists. We have all these regional offices and now we can consolidate the effort.

Ian can answer about how he expects to roll out the hiring of his staff, and when he considers himself to be fully operational. Of course, the budget is something that's been dictated by the federal government.

Ms. Tracey Ramsey: It's definitely something we want to see a return on. There's a large amount of money that's being put towards this project, so I do think how quickly will we start to see those returns is of concern to Canadians.

Mr. Mitch Garber: I don't know if the speed of return should be of concern to Canadians. We are going to make a major investment to get a very large return on this investment, but I don't know of any business situation where you would invest $50 million and get an immediate return on your $50 million. I think you'll start seeing a return in terms of results and deals being formed. But if you take, for example, a company that was going to build a plant in Saskatchewan, it may take three years to build that plant. It may take 10 years to realize a return on that investment in that plant. I think it's unrealistic to expect an immediate return on investment. However, we should be increasing the amount of committed foreign direct investment in Canada, which we would count as being a return on our investment in the agency.

The Chair: I'm sorry, Ms. Ramsey, your time is up, but you might have a couple of minutes later on in the second round to get another question in. We're going to go back to the Liberals and, Madam Ludwig, you have the floor.

Ms. Karen Ludwig (New Brunswick Southwest, Lib.): Good morning, gentlemen. Thank you so much for your testimony here today.

We've heard a number of times at this committee that it's challenging for small to medium-sized businesses in Canada to understand the services that are offered across the country, and also the access to them. It's not that they're not able to get there. Most often a lot of them don't even know that the services exist or have time to get there.

Recently as a committee we travelled to Asia and were in Singapore, which was great. We saw great opportunities for Canadian companies, but certainly there wasn't the required awareness of all the work that Canadian companies do. So you're speaking to the choir, I think, in terms of the romantic view of Canada.

I'm honoured to represent a rural riding in New Brunswick, and I'm wondering if within your mandate you are looking at milestones, sectors, or particular regions to focus on. I say this because, one, we're looking for greater opportunities in the east, but we also have some challenges with the perception and concern about foreign ownership that if the market changes, foreign entities will leave and take everything with them? Could you respond to that.

Thank you.

Mr. Ian McKay: Thank you for your comments and your question.

In terms sectors and mandates in the sector, I think that rather than being prescriptive, we will be doing it based on research and data. Capital will flow where it makes sense for it to flow. Our job is to present to investors where we have strengths in Canada, and that will be the model we will follow. Fortunately, we have extraordinarily diverse economic strengths all across the country, in all the sectors that I referenced earlier, and more.

In terms of targets, the report that Dominic Barton submitted to the Prime Minister, which helped launch this agency, said that if we doubled our annual growth of FDI attraction, it would mean about an extra $45 billion.

Getting from 2% annual growth to 4% is a very achievable objective, given time. It's been a 20-year study of why we have been declining in Canada, so we're not going to fix it overnight. I expect it will be fully operational by the end of this calendar year and that we will have deals in the pipeline that we can assist with from early this spring right through the next several years.

● (1005)

Mr. Mitch Garber: Ms. Ramsey, this might answer part of your question, since you were cut off, unfortunately.

First of all, of course we don't want to make bad deals, and we don't want to attract hit-and-run investment. However, it's important to recognize that the Canadian economy would probably collapse if it weren't for the affiliates of foreign companies, which represent over 30% of all exports from Canada. We need to continue to attract foreign affiliates to open offices, factories, warehouses, and plants. If we can get head offices, it's even better.

We have a healthy economy of foreign affiliates in Canada. We have a model to take from. I think what we, and especially I, need to do is to travel to every province in Canada. I need to do that to understand what someone from New Brunswick, for example, might be looking for as a foreign investment in Canada. I'm a bit ignorant today, but armed with the right tools, if I'm able to sit in front of the right people in the right countries, whom I can incentivize along with some of your colleagues in New Brunswick, Prince Edward Island, or some of the smaller provinces, I would love to do that. Part of my own goal is to visit places I haven't visited, to meet people I haven't met, to understand what their economies look like and what they would like to see as foreign investment, and to see if we can be of some assistance in trying to generate that.

Ms. Karen Ludwig: Thank you for that.

I have a question regarding skill sets. In terms of the element of coordination—I would say this as someone who came from over 20 years of teaching at the post-secondary level—one of the areas where we need coordination is between the business sector and education system. If we're preparing for the future, will you be working with the colleges and universities to better prepare Canadians for the work and the jobs of the future, and the skill sets that are required, which may also make this environment more attractive to foreign investors?

The Chair: It has to be a quick answer.

Mr. Ian McKay: First of all, talent is one of Canada's greatest inherent resources. The reforms in the immigration department and fast-tracking of skilled labour into Canada are going to be enormous attributes for this organization and the entire country. Our ability to be prescriptive or directive toward some of the colleges and universities on skills training is limited, but we will absolutely be working with and sitting down with the colleges and universities to tell them what we're hearing that investors are looking for in terms of skills. That will be an important part of my narrative when I'm meeting with those folks across country. It's a very good point.

The Chair: Thank you.

That ends the first round. It looks as if we have enough time for the second round. We're going to start with the Liberals for five minutes.

Madame Lapointe, you have the floor.

[*Translation*]

Ms. Linda Lapointe (Rivière-des-Mille-Îles, Lib.): Thank you very much.

Hello and welcome. We are very pleased to see you here today.

Ten days ago, the Minister of International Trade, François-Philippe Champagne, visited my riding of Rivière-des-Mille-Îles, which includes Deux-Montagnes, Saint-Eustache, Boisbriand, and Rosemère. There are many large and successful businesses in my riding. For instance, I have visited the Canadian Electric Boat Company. The boats they make could very easily be sold to Venice. My riding also includes the company Kinova, which is participating in the current trade mission to Paris. It is an artificial intelligence company. In particular, it makes robotic arms. There are all kinds of companies like that.

We held a round table with SMEs that export their products or benefit under free trade agreements. We talked in particular about the accords with Asia and Europe and about NAFTA. Some people said it was difficult to coordinate to make sure Canada's brand is well-represented at large exhibitions and fairs. Canada's brand is promoted very well actually, but it is difficult to export it. That is what my colleague was saying earlier with regard to our experience in Asia. The goal is as much to attract capital as it is to export our products.

Does your action plan include coordination for these large shows? For example, if Quebec is represented and Canada is also represented a bit further along, people do not make the connection. The Canadian flag has to be displayed prominently to show that we are selling Canadian products.

● (1010)

Mr. Mitch Garber: Thank you very much for your question.

Actually, I play hockey every Sunday morning in Boisbriand so I spend a bit of time in your riding.

Ms. Linda Lapointe: At the Centre d'excellence Sports Rousseau?

Mr. Mitch Garber: Yes, that's right.

Ms. Linda Lapointe: It is beside Elopak, an outstanding Scandinavian company that has invested here in Canada.

Mr. Mitch Garber: Yes.

I also saw representatives of the Canadian Electric Boat company on the television show, *Dans l'oeil du dragon*. They just appeared on the show.

Ms. Ramsey asked about the budget. Honestly, the budget has not been decided on yet, but a big share will go to marketing. Why? Because Canada is not currently represented at large exhibitions. We have to identify the best places to spend our money and what the employees hired here will do. Yes, we have to hire people to secure agreements abroad. That said, Mr. McKay and I agree that we should be represented at all the major international exhibitions, such as the Mobile World Congress, the AI Expo, and manufacturing and mining exhibitions.

As Ms. Ludwig said, we have to identify the regions or sectors that need better representation. Will it be the fishing industry, the mining sector, or agriculture? We will have to choose because our budget is not unlimited.

That is exactly what you just said: our goal with our budget is to spend money on promoting Canada's trademark at international exhibitions.

Ms. Linda Lapointe: Yes, we have to show what we are capable of. The romantic view is all well and good, but...

Mr. Mitch Garber: You can't make much money out of romance.

Ms. Linda Lapointe: Indeed.

It was very interesting, the companies. If you saw the Canadian Electric Boat Company on *Dans l'oeil du dragon*, you saw that they got through to the next level. This company is important. It can do great things in my riding.

Earlier you mentioned that you attended the B7 Business Summit, where you met with CEOs from Scandinavian countries in particular. How did they react when you told them about the new organization you are heading up?

Mr. Mitch Garber: Those are two separate events. The B7 Business Summit was in Quebec City, and the Scandinavians came here, to Ottawa.

The Scandinavians are more involved in the finance and banking sectors. They are already in love with Canada. They are already used to doing business with Canadians. It will be easy for us to seek out partnerships and foreign investments from Sweden, Finland and even the Netherlands.

At the B7 Business Summit, there were more people from Japan and China. It is not the same at all. It is a bit more difficult with the Japanese. We have a lot of work to do to attract Japanese investments to Canada.

I can see that our organization will have to do more work initially, especially in terms of marketing and exhibitions. We have to reach out as much to Japan as to the Scandinavian countries. We also have to go meet our colleagues across the country.

Ms. Linda Lapointe: Thank you.

[*English*]

The Chair: The trade committee deals with everything, even romance.

Mr. Mitch Garber: We don't say no to anything.

The Chair: We're going to go over to the Conservatives.

Mr. Carrie, you have the floor.

Mr. Colin Carrie (Oshawa, CPC): Thank you very much, Mr. Chair.

I want to thank you both for being here.

I'm like Ms. Ramsey, though. I'm worried about perception. Perception is reality.

Mr. Mitch Garber: Yes.

Mr. Colin Carrie: There's a lot of negative perception out there.

According to StatsCan, over the last two years, foreign direct investment in Canada has fallen to its lowest level in a decade. It's only half of what it was in 2015. Canada's traditional strengths, whether in mining, energy extraction, manufacturing—which is really important to my community—softwood lumber, fisheries.... There's a lot of concern about rhetoric and what's coming out of the current government. I was curious to see, when we had a budget, that even people like John Manley, who used to be the finance minister, said there was nothing in it to address our competitiveness challenge. Doug Porter said that people are giving up on Canada as a safe place to invest in natural resources. It's seen as a very hostile environment now.

I was wondering how you are going to get the perception out there that we're open for business and ready to do investment when there seems to be so much negativity around government policy.

● (1015)

Mr. Mitch Garber: I think you see more negativity than I do.

By the way, I've been talking to business people for 20 years. I've never heard any rhetoric ever, in the 20 years that I've been travelling around the world as an executive of public companies, that Canada is not a welcoming and open place for business and immigration. I've never heard that.

I will agree with you—

Mr. Colin Carrie: In terms of foreign direct investment, I will say that, because right now you know the pipeline issues that are going on. As I say, it's not me talking. This was John Manley, Doug Porter, and the Canadian Chamber of Commerce. With last budget, we are having a competitive issue, as you've recognized. The Prime Minister came out in 2015 and said that we have to transition away from manufacturing. That sent a chill throughout my community. What was it that he said, that we we have to phase out the oil sands —but not overnight? We're seeing that language.

Mr. Mitch Garber: So, even if—

Mr. Colin Carrie: I want you to comment on that.

Mr. Mitch Garber: Sure.

I have to ignore all of the language. I'll tell you why. First of all, I'm not partisan in any way. Second, this agency, which is a baby, is going to survive this Prime Minister, the next prime minister, and the prime minister after that. It's going to survive this party, the next party, and the party after that.

We need to build it so that it's selling the great product of Canada, regardless of who is talking which rhetoric. I hope it answers your question, but I am not focused on what the policies of the government are. What I would like is for government to be co-operative. If we go to government and we say, "Listen. We are uncompetitive for the following reasons. We are competing against the Dutch and the Japanese for this investment, and we're unable to compete effectively against them unless we do X, Y, and Z." I'd like to be able to do that. I haven't had an opportunity. I don't know how that works. I hope it works.

If you invite me back, I will come, and you can ask me the same question and I'll have a more informed answer.

Mr. Colin Carrie: You know what? I love your attitude. I really do. Maybe we're not listening to the same people.

Mr. Mitch Garber: Clearly.

Mr. Colin Carrie: In October 2016, the Advisory Council on Economic Growth report advocated for the creation of a Government of Canada agency that would increase inward foreign direct investment in Canada's sectors that are "aligned with the government's economic growth strategy", and that this would be overseen by an advisory council.

Can you point to any single policy of the current government that you have to align with that has increased investment into Canada? We've seen this record drop in the last two years. What policies are there that you may be aware of? Maybe Mr. McKay would—

Mr. Ian McKay: I think the drop has been over a couple of decades. I think there is a lot of sharing of that responsibility. We have the strongest economy in the G7. I think when investors are looking for where to deploy dollars, they look at good strong domestic economic growth.

I think one of the most dramatic answers to questions I've been asked is what is happening in the domestic venture capital markets. If you look at the first quarter report of the CVCA, the Canadian Venture Capital and Private Equity Association, you'll see that we've never had so much activity in domestic venture capital deployment in Canada. It's a hockey stick curve, and I think foreign investors look at that and see confidence domestically and with startups. They see confidence among people who put money at risk all the time.

The folks I'm speaking to abroad are very, very bullish and happy with the economic fundamentals of Canada. What they're looking for is a more streamlined approach to get their questions answered, to get their issues resolved, and to get their dollars on the ground here as quickly as possible. That will be a big part of what we do.

Mr. Mitch Garber: I take your question seriously. I don't paint a rosy picture.

I think Canada is the greatest place in the world. I think we are unanimous on that point. If you ask about a policy that I think is helpful, I believe the immigration policy is helpful.

I believe that I—and when I say "I", I mean on behalf of Canada—can sell foreign investment to Canada by people who find other countries' immigration policies less friendly, and I'd like to try to take advantage of that.

The Chair: Thank you, sir.

Mr. Colin Carrie: Mr. Chair, on a point of order, if I could just correct the record, from the researcher's notes, apparently there was a record amount of foreign direct investment of $126.1 billion observed in 2007. Mr. McKay was saying it was going down for the last couple of decades. I think there has been a little shift in there. Maybe we should get that on the record.

● (1020)

The Chair: You just put it on the record.

Mr. Colin Carrie: Thank you, sir.

The Chair: We'll just move on.

Mr. Fonseca, you've got the floor.

Mr. Peter Fonseca (Mississauga East—Cooksville, Lib.): Thank you, Mr. Chair.

I'm more of a glass-half-full than a glass-half-empty type of person, so I'm optimistic about Canada. I think it is great that Mr. Garber and Mr. McKay are here. Listen, our unemployment rates right now are at 5.8%, the lowest in over 40 years—actually, the lowest recorded. We've added more than 600,000 jobs, so Canada is booming and we want that to continue, and we see foreign direct investment as being one of the opportunities we can seize today.

We look at what Amazon has done. Amazon is looking for its HQ2, and many global cities have put their best case forward. We were blessed that the Toronto region was able to come together and actually be shortlisted with the other, I believe, 19 cities; so there are 20 altogether. I think it's the only city outside of the United States that Amazon looked at for its HQ2.

How would you help in a process like that? How do you see your involvement?

Mr. Mitch Garber: I think we can both answer the question.

Amazon is not an ideal example, because they got to set the rules in a way that was mostly advantageous to them. If they hadn't set their RFP the way they had, I would love to have been able to bring Canada together and say, "Okay, no one city can house 50,000 employees. No one city can offer everything Amazon wants. How about if we do some of the AI and developments in Montreal; a lot of the other development, all of the cybersecurity and all of whatever else they needed to do, in Vancouver, with some in Winnipeg; and we split the country in three or four, where we have 12,000 and 10,000 and 5,000?" I would liked to have been able to do that.

I'd like to be able to do that for the next Amazon, one that doesn't come and say, "You can't do that"—which they did. They said, "One city, one bid", and Ian is well aware of it.

Mr. Ian McKay: If I could add, Mr. Fonseca, Amazon's project is an outlier, certainly, in terms of how companies are looking at long-term strategic investments. It's a massive project. At the same time, it's an extraordinary example of what this agency can do. At the time of the Amazon proposal, I was the CEO of the Vancouver Economic Commission. I led the bid on behalf of metro Vancouver. I congratulate Toronto Global and everybody involved in the Toronto bid for being successfully shortlisted.

We determined through that process that there was an enormous appetite on behalf of the federal government, the provincial government, and the lead agencies, which were at the cities. Remember that Amazon asked cities to bid, but there was an enormous appetite at every level of government to make every city's bid the best it could be. There was great co-operation, but we were starting from a new business model. It hadn't happened before. We were almost speaking different languages. We had great help from the Prime Minister and from other ministries in Ottawa, but we hadn't been forced into the room together the way we will be through the creation of this agency.

So I think Amazon was an extraordinary example of what the outcome needs to be for future projects like that.

Mr. Peter Fonseca: Thank you.

Mr. Garber, you brought up the point that the affiliates make up 30% to 40% or whatever of our investment. I have many of those in my riding, be it Siemens, GE, or big pharma, etc. Often they'll come to my office. What they're looking for is this. They're going to the global table; they're going to headquarters of whatever company they represent and have to put their case forward at that global table to attract investment here. It happened in Ontario, when they were able to bring in Toyota and Honda. They have a big footprint in terms of their manufacturing assembly plants.

How would you help businesses be able to make their case? These are foreign businesses that are already here. They're looking to expand, have a bigger footprint here, and it's easier to increase that footprint than it is to go get new business, actually. How would you help those businesses?

Mr. Mitch Garber: Right now it would be a hope, and the hope is the following. I'll use the example of my hometown of Montreal, because I know it best. Along one of the busiest highways of Montreal, you have all of the pharma companies, from Merck to Abbott to Pfizer. How did they get there? In the 1970s we offered great incentives to have them set up large establishments in Quebec. Along that same road, we have all the aerospace companies, from Bombardier to Pratt to CAE. How did we get them? We offered them incentives and they stayed. They've been there for decades.

We still do need to be competitive. Amazon is an outlier and maybe we wouldn't be able to compete for their HQ2. Maybe a city in the States will offer them billions of dollars of cash and free land and no taxation for 20 years. We Canadians wouldn't do that, but we will have to look back at the pharma and the aerospace and those examples that you give from your riding. We will have to readdress them for your companies and future companies, because there's no way to build a highway of an industry without giving large incentives. These could be immigration incentives, tax incentives, or land incentives.

I'm hopeful—it's why I started my answer with the word "hope"—that we will have a good ear in government to make quality arguments about reasonable incentives that should be given to bring that investment, and further investment from those who have already invested in Canada.

I hope that answers your question.

● (1025)

The Chair: Thank you, Mr. Fonseca. Your time is up.

We'll move over to the Conservatives for five minutes.

Mr. Allison, you have the floor.

Mr. Dean Allison: Sure. I'll just continue along that line of questioning, because I think that does bear some importance.

You can look at the U.S. trying to attract automotive and some of these things in terms of what they're doing with certainly property tax, energy, and all these other kinds of things. I guess the challenge is how do you create those incentives in sync with municipal, provincial, or federal governments? Obviously, the feds control some of the bigger strings, but when it boils right down to it, sometimes it's those other things.

You see yourself as a facilitator or coordinator to say, "Listen, we have company A, B, or C that may want to locate in your jurisdiction." Sometimes it seems we're kind of stuck in our way. That's the challenge we have in Ontario. We have some of the highest energy costs in North America. That makes it tough for manufacturing. It's great, because we have some great advanced manufacturers. I have a great advanced manufacturer in my riding that does great work. But we still have to deal with the other things that aren't necessarily within the purview of the federal government.

Mr. Mitch Garber: I do see our being that sort of coordinated negotiating arm. At the same time, it's imperfect. We're not the Americans. We're unlikely to offer the same level of incentives, but we must be creative. Because we do have such a large part of our economy generated by foreign affiliates, we've gotten them to come here somehow, either on their own or with the help and assistance of incentives from municipalities, cities, provinces, or the federal government. We have gotten them to come here. We're not starting from zero. This country has been very successful at attracting foreign investment. Let's not fool ourselves. I don't think we're starting anything novel here. What we are trying to do is to coordinate what already exists in fragments, and to bring some type of coordination to it, so that we can grow this foreign investment.

It's true that since 2007, foreign investments have been on the decline. I don't really care what the reason is. I do want to know how to get more foreign investment, and I want a list of all of the deals that we've lost but came close to reaching, and to ask why we lost them and whether we are able to address those things and could not have won them as Canadians.

Would we never be prepared to offer the things that were necessary to get those investments to Canada? Today, I don't know the answer, but I want to know the answer, because the best way for me to be successful is to know why I failed in the past.

Mr. Dean Allison: Let's talk about access to capital, though I realize it's not necessarily within your mandate. We visit places like Silicon Valley and Boston, and some of the hubs of technology. Obviously, the U.S. has done a great job. Money flows in in a big way. People are more entrepreneurial. My thoughts are that every university and college in this country should have an incubator attached—maybe not that they have anything directly related to programming, but to get people thinking about being entrepreneurs.

I think that makes sense. Our challenge has been research money and commercialization, all of those things. At the end of the day, sometimes it boils down to access to capital. Would you just comment on that?

All governments struggle with how to do a better job, how to create a climate where people are prepared to put more capital at risk. Do you have any thoughts around that? I realize that's not directly related to your mandate, but it's one of the pieces of the puzzle. It makes a big difference to investment here in Canada.

Mr. Mitch Garber: I think you're right, but at the same time we've been very competitive in access to capital. Our pension funds, our banks, and our governments have been competitive in terms of access to capital. I don't believe that people have not come to Canada, because they couldn't raise the money or they couldn't find the money to come to expand in Canada.

On the U.S., I would say that we are a much smaller country. We have our Waterloo . We have our immigration policy. We have our very strong banking system, and we do have access to capital through that banking system. Our banking system has been very friendly to foreign investment.

I'm confident. I also have the glass half full. I haven't seen a problem finding access to capital. That's not the reason we're losing investment in Canada.

Mr. Dean Allison: I don't disagree with you with regard to larger companies. I'm referring more to start-ups, and rounds two and three.... I've had companies come to me and say, "Hey listen, we raised capital in the U.S., and the first thing they want us to do is move our head office to the States."

● (1030)

Mr. Mitch Garber: You're right. I'll agree with you.

London, Silicon Valley, Israel, are much better venture capital, angel capital countries than Canada. I don't know how to fix it today. It's not in our mandate, but it's something that I'd like to be able to work on, because we certainly want to encourage start-ups and round A, B, and C investing. We are not at the level of a London or an Israel, or a Silicon Valley. That is true.

Mr. Ian McKay: If I could just add, because this is a super important point for start-ups to global enterprises, in Q1 of this year, Silicon Valley had 100 start-ups that raised $50 million or more. It's a new record. A hundred start-up companies raised that in Q1. That's telling us two things: one, the place is awash with capital; and two, the risk aversion is virtually at zero now.

Canada has a little more risk averse venture capital culture. The Government of Canada has done some great things through BDC, and through the venture capital platform launched by the previous government, so the pieces are in place.

Some of the other things we have in the tool box, of course, are the strategic infrastructure fund projects and the innovation super-clusters initiative. These things are going to generate a lot of activity, and I've already had conversations with GE and others about how they can leverage those programs to accelerate their further investment into Canada.

The Chair: We're quite a bit over time, but they were good questions.

Ms. Ramsey, for three minutes.

Ms. Tracey Ramsey: I want to talk about some of the serious challenges that we face with foreign investment. If we talk about Aecon and the takeover there, certainly we're facing some really serious challenges around data sharing, national security, and procurement.

There was another thing that we unfortunately faced in south-western Ontario. We had a company, Electro-Motive, which Caterpillar was involved with. Caterpillar came in and essentially took the innovation in the process and left the country after it had received some investment supports.

Can you speak to how you will overcome these challenges, both in making sure that foreign direct investment in Canada generates jobs, stays in our communities, doesn't come in and then essentially take what we have and leave? How do we address these really serious concerns with Chinese companies like Aecon?

Mr. Mitch Garber: What percentage of companies invest in Canada, take advantage of our benefits, and then leave?

Ms. Tracey Ramsey: I don't know.

I'm just asking how you'll overcome those challenges.

Mr. Mitch Garber: You're asking it as though it's a major challenge, or as if it's a.... If I don't know the percentage, then I don't know how to answer it. Maybe it's very small.

Ms. Tracey Ramsey: It's something—

Mr. Mitch Garber: Maybe it's almost de minimis. I don't—

Ms. Tracey Ramsey: With all due respect, it's a challenge that you'll face, that you'll have to address. It will have to be a part of your mandate to understand that there are risks involved with foreign direct investments.

Mr. Mitch Garber: Sure.

Ms. Tracey Ramsey: One company doing so, to me, is too many.

We need to make sure that part of your mandate acknowledges the risks that exist around foreign direct investment. That's my question.

Mr. Mitch Garber: Sure.

Let me give you a practical example. Then you maybe you can answer the Aecon question.

I participated in the acquisition of the Cirque du Soleil, a foreign direct investment by an American and a Chinese firm, Fosun and TPG. We got 10% of the equity from the Caisse de dépôt. We promised to keep the head office in Quebec for a number of years. We've increased the number of employees at the Cirque du Soleil. We've bought foreign companies and hired more people in Quebec to oversee the management of the acquisitions that we've made.

I'm involved in a practical example where we have told Fosun and TPG, "If you want to come into Canada, if you want to come into Quebec, you're going to have to keep the company here, or show us that you will. We'll bring you a pension fund that will only invest if you will keep the company here."

Ms. Tracey Ramsey: How will you translate that into ensuring that those things exist for the investment you're attracting?

Mr. Mitch Garber: I think we should have a very high moral and process standard when we are attracting foreign investment, especially when we're giving incentives. If we're giving an incentive, it's like any other incentive: it comes with terms and conditions. Those terms and conditions will have to be very consistent with some of the things that you're concerned about.

I don't know enough to be concerned about them yet. I did know enough at the Cirque du Soleil to be concerned about them, to make sure they were covered.

Ms. Tracey Ramsey: When you adopt or create these policies, will you please share them with the committee as well?

Obviously you're in the start-up phase, but you're going to establish these policies as you go, once you gather more folks to work for you than the one you have right now.

Mr. Ian McKay: We would be happy to.

Just to be clear, Canada has a long history in aerospace and autos, primarily in attracting foreign direct investment. Many of those operations are here because of the strategic infrastructure fund or its predecessors. Any company that has applied successfully to those programs to land an investment has a very clear set of rules, terms, and conditions about the longevity of their investment and their employment requirements. Those are very clear terms that ISED, Finance, Treasury Board, and other departments are on top of.

● (1035)

Ms. Tracey Ramsey: Perhaps it's not always transparent—

The Chair: Sorry, the time is up.

Mr. Ian McKay: If a company just shows up—

Ms. Tracey Ramsey: It does happen. It does exist. I just hope that part of your planning will be to acknowledge that those things have happened in the past, and how to overcome those challenges in the future.

Mr. Ian McKay: Have done and will do.

The Chair: Thank you, Ms. Ramsey.

We just have time for one more. This is going to finish the round. My understanding is that it's going to be split time.

Mr. Peterson, you go ahead.

Mr. Kyle Peterson: Thanks, Mr. Chair.

I'll try to finish early so the parliamentary secretary can ask a question or two at the end.

Thank you, gentlemen, for being here. It's much appreciated.

You're new, you're a start-up. Have you done analysis? What's the low-hanging fruit? What are the easy wins that we're going to get?

When you look at FDI, do you even have the data of what drives FDI to Canada? What factors help people make the analysis, the decision, the investors? We have strong clusters in Canada. You look at agrifood, automotive, aerospace, these things jump out as great things that Canada has. We have a strong banking system, a creative entrepreneurial class, great labour, great skills, and health infrastructure. We have a lot of things going for us. The competitive tax rate is the one issue we have to maintain, and gauge to see if it remains a strong feature.

Is there a quick win, or low-hanging fruit that you are looking to target?

Mr. Ian McKay: I think some of it is growing the business from our current customers. That certainly exists in the traditional sectors that we've been successful at: aerospace, autos, advanced manufacturing. I think some of the real wins going forward, some of the strategic avenues, are going to come out of the supercluster initiative.

I've spoken to people already who were not aware that there is a bioprotein supercluster in the prairie provinces, where some global companies have significant operations already. Now that they know the federal government is doubling down in building Canada's capacity there, they will be moving very quickly.

That goes for the ocean science cluster in Atlantic Canada, the digital cluster in British Columbia, the advanced manufacturing in this part of the country. I think there are going to be some—I hate to say the word "early", or easy—wins, but there's going to be some accelerated conversations because of those federal pieces that are now in place.

Mr. Mitch Garber: I might add one thing, which is slightly more aggressive. A number of countries' business communities are less comfortable investing with our neighbour to the south, but need a presence in North America. Taking advantage of that current situation would be a smart thing for us to do in the near term. Without, of course, criticizing our neighbour to the south, there's a reality to be addressed, and I think we should address it quickly.

Mr. Kyle Peterson: I'm going to follow up with this and then I'll pass it over. Are you going to have the tools to track how these decisions are made and get that data to continue? If you lose a deal, you want to know why, but you also want to know what's keeping your customers happy, to keep them coming back.

Mr. Ian McKay: Yes, and to Mr. Fonseca's question earlier, the multinationals have a business leader here in Canada, and they're the ones who are competing on the global stage to drive the investment here, so those are the conversations that we'll be having on what went wrong or what went right, and we'll be tracking that.

The current data set that we have resides partially at Stats Canada and partially at private sector data collection agencies. We need to consolidate and have a much more effective and robust data set to answer those questions, and we will.

Mr. Kyle Peterson: That's great to hear.

I'm done.

The Chair: There are a few minutes left, so go ahead.

Ms. Pam Goldsmith-Jones (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Really quickly, thank you so much.

I was at the Canadian Internet Marketing Conference a couple of weeks ago in Squamish. Globally recognized brands were there, like Disney and Shopify. I was hosting a panel of well-known Vancouver brands, and the consensus was that we, for our banking system, immigration, diversity, education, and even romantic notions of our brand, lag behind our brand. What steps will Invest in Canada take for us to realize our full potential in that regard?

Mr. Ian McKay: Consolidate everything that you've just described, because those who know us, know us well, but many more don't know us than do know us. Consolidate all those very positive attributes, get testimonials from the companies that are here, ask why they're here, and work aggressively to get that message out. It means being places. It means inviting people to Canada.

Canada's got a complex brand. One of the strengths of our brand is that not yet, "It's the best place in the world to do business". We need to build that message and drive it, and drive it, and drive it.

● (1040)

Mr. Mitch Garber: Let's agree on one thing. I completely agree with you that we are not performing well, and this is where we may disagree. I believe this is the best time to create this agency. If we were performing off the charts, then we would be proving that we didn't need the agency. Yes, Canada's got this fantastic brand and all of these great benefits of living here and investing here and growing here, yet we're lagging. One of the ways we have been lagging is in being the only G7 country that doesn't have a centralized agency. Either we think the other six are doing it wrong, or we're behind, so we chose the latter and now we're hopefully going to get there.

Ms. Pam Goldsmith-Jones: Thank you, Mr. Chair.

The Chair: We're really doing well on time here.

I've got a question that follows up on Ms. Ramsey's. Of course, as parliamentarians and Canadians, we want more investment in our country. That's good, but there is also a concern, and it was alluded to, about so-called investment that could maybe jeopardize our infrastructure, our security. I think it's been brought up that China is looking at making some investments, and there are some concerns in other countries about strategic investments that China has made. Does that come across your table?

I know we have a review process in this country. What is the percentage for a strategic asset or a security asset? I know it has to go through a review process, but does any of that come across your plate?

Mr. Mitch Garber: We will not be able to do a cybersecurity deal with a Chinese company without it having gone through the processes you've just alluded to. One of them is the billion-dollar process. That goes for any company. Any foreign direct investment in Canada is a billion dollars or more. On cybersecurity, if you look at the Qualcomm deal recently, there's been a bunch of controversial deals between the U.S. and China. That's more political, I believe, than cybersecurity.

Your point is extremely well taken, but I'm sure we're not in a position to facilitate a deal that could sneak through, one that has a cybersecurity opening to it, to allow the Chinese to come. We're not that powerful. Those deals will be scrutinized.

Mr. Ian McKay: Mr. Chair, with respect to Aecon or other deals coming from some countries—maybe it's China—we have a job to speak to the investment community in China and say, "Here are the sectors in our economy where we would welcome your investments with very few conditions, so let's focus on them. Also, respectfully, here are some sectors where there's going to be a lot of rigour to go through." I don't think we've been having that discussion and being very prescriptive with certain investments across the globe, and saying to them, "We've got an enormous array of sectors you can invest in. We would really like to facilitate discussions for you to get into these spaces. I'm not sure what they are yet, but we're working at it. Quite frankly, it's going to be more difficult for you to deploy capital in those spaces."

I don't think that's an inappropriate conversation to have with them, and I think it would avoid some of the concerns that Ms. Ramsey raised about certain sectors and companies. I don't think that's offside.

The Chair: Gentlemen, thank you very much for coming. It was a very good session. I think if I can speak on behalf of the committee, we would like to see you back here again to give us an update. We would appreciate it. We hope you can find time to do it.

Mr. Ian McKay: Next Tuesday would be fine.

Mr. Mitch Garber: I would love to come back, Mr. Chairman. I think accountability is important, so as a chairman I would like to come back and be accountable for how we perform.

Thank you.

The Chair: Thank you very much. We had a very good meeting, folks. See you Thursday.

The meeting is adjourned.

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